- [(3)] (4) To receive a CAPITAL-PROJECT grant, the subdivision must participate in the national flood insurance program.
- [(4)] (5) Before making a CAPITAL-PROJECT grant, the Department, in cooperation with the Department of State Planning, shall review the flood control and watershed management operations of the applicant subdivision to assure that they are in compliance with this subtitle.
- [(5)] (6) The Department, in consultation with the Department of State Planning, shall promulgate rules and regulations necessary for the administration of the grant program. These rules and regulations may include:
- (i) A determination of statewide and interjurisdictional needs and priorities;
- (ii) Standards of eligibility for applicants and projects;
- (iii) Criteria for recognition of tidal
 and nontidal areas;
- (iv) Engineering and economic standards
 and alternatives; and
- (v) Procedures for filing and processing contents of applications.
- [(6)] (7) Each CAPITAL project application shall be submitted to and reviewed by the State clearinghouse of the Department of State Planning in accordance with established clearinghouse procedures.
- SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of this Act relating to study grants are not effective until appropriate amendments are made to the Comprehensive Grant Loan created by Chapter 772, Acts of 1980.
- SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 2 above, this Act shall take effect July 1, 1981.

 Approved May 19, 1981.

CHAPTER 742

(Senate Bill 982)